EXHIBIT 201

Highly Confidential - Subject to Further Confidentiality Review

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 1                  UNITED STATES DISTRICT COURT
              FOR THE NORTHERN DISTRICT OF OHIO
 2                      EASTERN DIVISION

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    IN RE:  NATIONAL PRESCRIPTION       Case No. 1:17-MD-2804
 4  OPIATE LITIGATION                   MDL NO. 2804

                                        Hon. Dan A. Polster

 5  APPLIES TO ALL CASES

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 8       HIGHLY CONFIDENTIAL - SUBJECT TO FURTHER
                 CONFIDENTIALITY REVIEW

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     VIDEOTAPED
10   DEPOSITION OF: RICHARD CHAPMAN
11   DATE:           December 18, 2018
12   TIME:           9:37 a.m. to 3:04 p.m.
13
     PLACE:          201 North Franklin Street
14                   Suite 3400
                     Tampa, Florida
15
16   PURSUANT TO:    Notice by counsel for
                     Plaintiffs for purposes of
17                   discovery, use at trial
                     or such other purposes
18                   as are permitted under
                     the Ohio Rules
19                   of Civil Procedure
20   BEFORE:         LISA A. SIMONS-CLARK, RMR, CRR
                     Notary Public, State of
21                   Florida at Large
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23
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1   Q.   Do you understand the question?

2   A.   I -- I do.

3   Q.   Okay. Can you give me an answer?

4   MS. McENROE: Can you ask something a little

5   bit more specific?

6   MR. PIFKO: Well, I'd like to hear his answer.

7   THE WITNESS: I guess the first thing that I

8   would say is Rite-Aid is a closed system.

9   Rite-Aid shipped only to its own -- our

10   distribution centers only shipped to Rite-Aid

11   stores.

12   So as a part of that, in terms of ensuring

13   there was no diversion, we -- we knew both the

14   from and the -- you know, the origination and the

15   destination of every shipment was a Rite-Aid

16   location; and in terms of the quantity of those

17   orders, there were a variety of controls.

18   The orders were created not by a human. They

19   were system created based on actual sales at a

20   store, actual scripts that were filled and product

21   that was consumed at a store.

22   So there wasn't a -- there wasn't a capability

23   of someone just to place an unusually large order

24   as a human to try to divert product. Pharmacists

25   were able to modify those orders, but there was

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 1   substances, do you understand how an order was placed

 2   at a particular pharmacy location at a store to a

 3   distribution center?

 4           MS. McENROE:  Objection to form.

 5           THE WITNESS:  My understanding is that for all

 6       pharmacy products, it was a computerized ordering

 7       system.  They created an order based on the demand

 8       for that item and the on-hand balance in -- in the

 9       store; and the demand obviously is a function of

10       the sales or the -- and the use -- in the instance

11       of a pharmaceutical product, of its consumption

12       when filling scripts.

13           So it was a computerized algorithm that took

14       into account the on-hand balance and the rate of

15       sale for that product to calculate an efficient

16       order quantity.

17   BY MR. PIFKO:

18       Q.   Okay.  So there's a computer system at a

19   particular pharmacy location in the store.  Yes?

20       A.   Well, there's --

21           MS. McENROE:  Objection to form.

22           THE WITNESS:  I'm sorry.  There's a mainframe

23       that actually -- you know, the computer was not --

24       did not reside at a -- at an individual store,

25       so --
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 1   identification.)

 2   BY MR. PIFKO:

 3   Q.   For the record, Exhibit 2 is a multipage

 4   E-mail, Bates labeled Rite_Aid_OMDL_0038075 to 77.

 5   Take a moment to review that, and let me know when

 6   you're done.

 7   A.   Okay. Okay.

 8   Q.   All right. So this -- have you seen this

 9   before?

10   A.   I have.

11   Q.   When was the last time you saw this?

12   A.   Yesterday.

13   Q.   And before seeing it yesterday, when was the

14   last time you saw it?

15   A.   2013.

16   Q.   All right. The subject line of this series of

17   E-mails is Suspicious Order Monitoring Project.

18   Actually, it says 5046 - Suspicious Order Monitoring

19   Project. Do you see that?

20   A.   I do.

21   Q.   What is the Suspicious Order Monitoring

22   Project?

23   A.   It was a project that was conceptualized to --

24   from the distribution center's perspective to replace

25   the manual activities that I mentioned to you, whereby

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 1   we used -- we had a threshold and adjusted orders down

 2   if they exceeded that threshold and then went through a

 3   series of manual steps to record that action and report

 4   it back to the corporate office.

 5            It also included -- the -- the project that

 6   was envisioned would have also included -- you know,

 7   there's some reporting and monitoring activities that

 8   took place in our loss prevention department that would

 9   have been -- that were done as a separate -- you know,

10   in a separate process.

11            So it would have folded all of those processes

12   together so there would have been one place that

13   managed this, all of this activity and the reporting of

14   it; but from our perspective, the key to it was that it

15   was going to automate what was then a manual process.

16       Q.   So at the second -- so beginning on the second

17   page here -- well, there's an E-mail from you to

18   Chris Belli dated June 12th, 2013.  Do you see that?

19       A.   I do.

20       Q.   It says, Chris - Per our conversation, and

21   then you're forwarding something from Marcia.  Do you

22   see that?

23       A.   Yeah.

24       Q.   Who's Marcia, do you know?

25       A.   She was in our IT department, so she was
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